MR. WEBSTER'S SPEECH

This brings me, sir, to the second

Is this measure. Mr. President, a just exercise of the powers of Congress, and does it failfit all our duties?

Sir, I have so often discussed this point.

I have so constantly insisted, for several years past, on the constitutional obligation of Congress to take care of the currency, that the Senate must be already tired of if not weary of the topic; and yet, after all, this is the great and ount question. Until this is settled, have not the power, we must leave the whole subject in the hands of those who we are bound to exercise it, and very day's neglect is a violation of dury. power, and I again press its exercise on the two Houses of Congress. I again assert, that the regulation of the gene al currency-of the money of the country, whatever actually constitutes that money one of our solemn daties.

The constitution confers on us, sir, the exclusive power of coinage. This must have been done for the purpose of enabling longress to establish one uniform basis for the whole money system. Congress, therefore, and Congress alone, has power over the foundation, the ground work, of the currency; and it would be strange and institution was framed, and must have at length—"Nor a specie Nore."
ten expected to continue and to increase. The tax laid on such notes, there was t But the circulation of paper tends to dis-place coin; it may banish it altogether: therefore, the power over the com does not enable Congress to protect the com and to restrain anything which would supersede it, and abolish its use, the whole power becomes nugatory. If others may drive out the coin, and fill the country with paper which does not represent coin, of what use, i dog to know, is that exclusive power come and coinage which is given to Congress by the constitution?

all connection with the general currency, and limit themselves to the single and narrow object of protecting the coin, and providing for payments to Government. This seems to me to be a very stronge way riole country, and not merely to turnish medium for the collection of revenue. The object was to secure, for the general use of the people, a sound and safe circulathe power over the coinage. This is an admitted maxim by all writers; it has been admitted and acted upon, on all necessary occasions, by our own Government, throughout its whole history. Why will we now think ourselves wiser than all who

This conviction of what was the duty of Government led to the establishment the bank in the administration of General Washington. Mr. Madison, again, acted upon the same conviction in 1816, and Congress entirely agreed with him. On former occasions, I have, referred the Senate, more than once, to the clear and emphatic opinions and language of Mr. Madison, in all his messages in 1815 and siderable and enumericant is a police of siderable and enumericant is a police of 1816, and they neight to be repeated again insurance, as he means or an insurance and again, and pressed upon the public of commerce, compared with the winder

And now let me say, sir, that no man in

tright of making money for and in the U. vessel propelled by steam should navigate ingenuity and contrivance; to have done | sions, sir, on which the honorable gentle- | fairer, or more equa are not the only money; but whatever is license from these grantees, under penalty the medium of confiscation. he added an attribute of sovereign power, person or property, by any party acting a sacred and important right, was exercised under the law of New York, such citizen

than this language; and, acting vigorously ages and costs. New Jersey called this upon principles thus plainly laid down, he conducted the Baok bill, through the the general ground of reprisentatives. On that occasion, he was the champion of the power of and as no steambout could come down the

extent of its own issues; but there was a license, wast quantity of bad paper in circulation. Here and it was possible that the more influence of commercial intercourse! a very promis-of the hank, and the refusal to receive this ing condition of things, indeed! You had money at the Treasury, might not, could not get from New York to New both, be able to banish it entirely from the country. The honorable member meant to make clean work. He meant that neither Government nor people should suffer the remind the country, that this belligarent evils of treedeemable paper. Therefore, legislation of the States concerned was he brought in another bill, entitled, "A justified and defended by exactly the same bill for the more effectual collection of the arguments as those which we have heard public revenue." By the provisions of this in this debate. Every thing which has the currency; and it would be strange and bill, he proposed to lay a direct stamp tax been said here, to prove that the authority anomalous, having this, if it had nothing on the bills of State banks; and all notes to regulate commerce does not include a to do well the structure, the edifice, to be of non specie paying banks were, by this raised on this foundation! Convertible stamp, to be branded with the following that case, to prove that the same authority paper was already in circulation when the same authority or a special paying was foundation. The same authority have all length was foundation. So were the same authority of the case, the provisions of this in this debate. Every thing which has the tax laid on such notes, there was to be I do not know a reason, a suggestion, an no composition, no commutation; but it idea, which has been used in this debate was to be specifically collected, on every or which was used in the debate in Sep-But the circulation of paper tends to dis-place coin; it may banish it altogether:
was to be specifically collected, on every single bill issued, until those who issued therefore the power over the coin does of the Treasury, and prove to his satisfac-tion, that, after a day named in the bill, all their notes would be paid in specie on de-

And now, how is it possible, sir, for the author of such a measure as this, to stand up and declare, that the power of Congress over the country is limited to the more regulation of the coin? So much for one Gentlemen on the other side admit that it is the tendency of paper circulation to expel coin; but then they say, that, for that very reason, they will withdraw from Nor, sir, is the other source of pawer.

n my opinion, at all more questionable.

Congress has the sopreme regulation of commerce. This gives it, necessarily, a superintendence over all the interests This seems to me to be a very strange way of reasoning, and a very strange course of political conduct. The coinage power was general, and they confer yield the benefit of the whole power. When the end is given, whole country, and not merely to turnish the chief instrument or agent of commerce: must, therefore, regulate it as it regulates ting medium. There can be no doubt of other indispensable commercial interests, this intent. If any evil arises, threatening if no means were to be used to this end to destroy or endanger this medium or this but such as are particularly enumerated. to destroy or change to meet it, not to currency, our duty is to meet it, not to the whole authority would be nugatory, because no means are particularly coumer it slone; we are to control and correct the mischief, not to submit to it. Whenever their measurement; the shipping articles; mischief, not to submit to it. Whenever their measurement; the supping articles; paper is to circulate, as subsidary to coin, the medicine chest; and various other or as performing, in a greater or less degree, the function of coin, its regulation we have no authority but the general pownatorally belongs to the hands which hold power over the coinage. This is an or other means or modes of regulation are particularly and expressly pointed out.

But is a ship a more important instrument of commerce than money? We pro-tect a policy of insurance, because it is an important instrument of ordinary commercial contract; and our laws punish with who shall commit a fraud on the parties to this contract by casting away a vessel. For all this we have no express authority. We infer it from the general power circulating paper of a country?

Sir. the power is granted to us, and

'For gold and silver (he insisted) the North river or the Sound, withou

a line was now conjuged, and
To counteract this law, the Legislature
ore become the many of the
"The right of making money," of hers should be restrained, or injured, in by two hundred and sixty banks, and scat-tered over every part of the United States." offender could be caught within her terri-Certainly, sir, nothing can be clearer tory, and should be entitled to treble dam-

Soon, he was the champion of the power of Congress over the currency, and others were willing to follow his lead,

But the Bank bill was not all. The honorable gentleman went much forth. honorable gentleman went much farther. law, by which heavy penalties were impo-The bank, it was hoped and expected, and upon all who should aresume to come would turnish a good paper currency to the into her ports and harbors, having any such

Haven by steam; nor could you go from New York to New Jersey, without tran shipment in the bay. And now, sir, let me ters, did not include an exclusive power over For steamboats or other means of navigation tember, to show that Congress has no pow and make it umform, which was not used in this steamboat controversy, to prove that reach the matter then in dispute. Look to the forensic discussions in New York! Look to the argument in the court here! You will find it every where urged that navigation does not come within the genoral idea of regulating commerce; that steambouts are but vehicles and instru-mouts; that the power of Congress is gen eral, and general only; and that it does not extend to agents and instruments. And what, sir, put an end to this state of

What stopped these sergures and ions? Nothing in the world, sir, but the exercise of the constitutional pow or of this Government. Nothing in the world, but the decision of the Supreme Court, that the power of Congress to regu-late commerce was paramount; that it overruled any interfering State laws; and that these acts of the States did interfere with acts of Congress, enacted under its clear constitutional authority.

As to the extent of the power of regulahe guarded State rights; I mean Mr. Justice Johnson. And when I have read u, sir, then say, if it does not confirm every word and syllable which I have uttered on hicle, the agent, and these various operations, become the objects of commercial regulation."

These just sentiments prevailed. The decision of the Court quieted the dangerous controversy; and satisfied, and I will add gratified, most highly gratified, the principles.

The whole tendency and effect, as it seems a very important and striking precedent.

The members of the Senate, Mr. President and striking precedent.

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The the defect, as it seems to me, is detailed

with projects which alarm and agitate the people; to seek no shelter from obligation people; to seek no sheller from obligation and duty; but with manliness, directness, and true wisdom, to apply to the civils of the times their proper remedy. That Providence may guide the counsels of the country to this end, before even greater disasters and calamities overtake us, is my most

Mr. President, on the subject of the pow Air. President, on the subject of the pow-er of Congress, as well as on other impor-iant topics, connected with the bill, the honorable genticmen from South Carolina has advanced opinions, of which I feel hound to take some notice.

That honorable gentleman, in his recent speech, attempted to exhibit a contrast be tween the course of conduct which I, and other gentlemen who act with me, at present pursue, and that which we have here tofore followed. In presenting this con-trast, he said he intended nothing personal: his only object was truth. To this I could object. The occasion requires, sir, I should now examine his opinions; and I can truly say, with him, that I mean nothing personally injurious, and that my object, also, is truth, and nothing else,—
Here I might stop; but I will even say

It is now five and twenty years, sir, since I became acquanted with the honor-able gentleman, in the House of Represen tatives, in which he had held a think, about a year and a half before I en-From that period, sir, down to the year 1824. I can say, with great sincer ity there was not among my political contemporaries, any manfor whom I entertain. ed a higher respect, or warmer esteem. When we first met, ve were both young men. I beheld in him a generous charac-ter, a liberal and comprehensive mind, ca-grossed by great objects, distinguished tal ent, and, particularly, great originality and vigor of thought. That he was ambitious, I did not doubt; but that there was any thing in his ambition low or sordid, any thing approaching to a love of the mere loaves and fishes of office, I did not then believe and do not new believe. If, from ready mentioned. I differed with him or any great constitutional question, I do not

But in 1824, events well known to the But in 1824, events well known to the of course, derive greater behalf than the Senate separated us; and that separation small ones from these deposites in the remained wide and brord, until the end of banks. In other words, that, as the importing memorable session which terminated in ting merchants in a great city pay more March, 1833. With the events of that session duties to Government than those in a small sion, our occasions of difference had ceased; certainly for the time, and as 1 sin-cerely hoped, foreyer. Before the next meeting of Congress, the public deposites had been removed from their lawful custo-de by the Procedure B. dy by the President. Respecting this exercise of the Executive power, the honorable gentleman and myself entertained the transactions connected with that, and cause they pay more money. I growing out of it, there was not, so far as the case of credit on duty bonds, the case of credit on duty bonds. same opinions, and, in regard to subsequent ting commerce, allow me to quote a single tween us. We looked upon all these prosentence from the opinion of one of the ceedings but as so many efforts to give to ing bond for duties, instead of making pre the Executive an unconstitutional control were don that occasion; a judge always odstinguished for the great care with which he guarded Staterights; I mean Mr. Justice Johnson. And when I have read it, derogation of the just powers of Congress; sum, the small importer having credit for a large into the small importer having credit for the state of the small importer having credit for a large in the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importer having credit for a large into the small importance in the large into the small importer having credit for a large into the small importance in the large into the small impo but to the danger of the public liberty. We acted together, to check these designs this subject, either now, or at the Septem- and to arrest the march of Executive pre-"In the advancement of sociion, intelligence, care, and various means gentleman here, and with a large and in.

telligent partion of the whole country.

The unfortunate result of these Executive interferences with the currency had made an impression on the public mind. A revolution seemed in progress, and the people were coming in their strength, as we began to think, to support us and our

In this state of things, sir, we met here at the commencement of the September moment, without being suspected of looking with eyes whose sight is sharpened by too much appreheusion—may we not perceive, sir, in what is now passing at the commencement of the September session; but we met, not as we had done; we met, not as we had parted. The events of May, the policy of the December of May. troversy between States, which may be of another con arrested, by still more deplorable consequences? Do we see no danger, no disturbance, no contests ahead? Sir. do we not behold excited company. And now let me say, sir, that no man in our history has carried the doctrine farther, defined of it with more ability, or acted against the nound means. I need not have and the nound means. I need not have the hond section memory, 1816, is strong, [61], and on the point of what he said on that occasion does not happen. A close, well conducted, and conclusive constitutional signment of the size in the result of an accident or of chances and his agreement of the size in the result of an accident or of chances and his agreement of what he right of regulating the paper currency directly on the comage nover. "The only object," the say, settle the constitution only we have power over the constitution could have in view, in giving a Dower, settle currency in the paper currency, which could only be regulated the value thereof, and first tried; and if, not withstanding time, it is not remove a steadiness and fixed value to the currency of the Chief States." The state of the doctrine factors and that of the constitution of the constitution and powers and the result of an accident or of chances and his agreement on that occasion, as it seems to me, was perfectly conclusive, the founds the right of the constitution could have in view, in giving to Congress the power to coin money, regulate the value thereof, and of foreign coin, must have been to give a steadiness and fixed value to the currency of the United States." The state of the adoption of the constitution and string of the Constitution and string the courty and the properties of the adoption of the constitution and the state of the adoption of the constitution and the point of the const

man has expressed his opinions upon the questions now under discussion. They are, his speech of the 15th September, his are, his speech of the 15th September, and published letter of the 3d November, and his leading speech at the present session. These productions are all marked with his a Government paper. Treasury. He would be a speech of the speech of the session of the sessi usual ability; they are ingenious, able, condensed, and striking. They deserve an answer. To some of the observations in the speech of September, I made a reply on the day of its delivery; there are other parts of it, however, which require a more allow me to ask, sir, we rument paper, in the content of the condense deliberate examination.

Mr. President, the honorable gentleman and circulation, na

declares in that speech, "that he belongs to what points will it tend? the State Rights party; that that party, certainly, to the greatest from the beginning of the government, has tion and expenditure; to the state of the sta been opposed to a national bank as uncon-stitutional, inexpedient and dangerous, that it has ever dreaded the union of the polici-of water or the results of cal and moneyed power, and the central two thirds of the duties be action of the Government, to which it so New York, it will follow, of strongly tenus: that the connection of the two-thirds of any Government. Government with the banks, whether it be ceived for duties will be there with a combination of State banks, or with and it will be more valuable the a national institution, will necessarrily centrailize the action of the system at the principal point of collection and disbursement, and at which the mother bank, or the head of the league of State banks, must be lossed as the spot where the greatest described by the system of the league of State banks, must be lossed dexist for it for that purpose. of the league of State banks, must be lo cated. From that point, the whole system through the connection with the Government, will be enabled to control the exchanges both at home and abroad, and with it, the commerce foreign and domes

tic. including exports and imports."

Now, sir, this connection between Gov eroment and the banks, to which he im

Sir, if I clearly comprehend the honora-ble gentleman, he means no more, after all, than this: that, while the public revenues are collected, as heretofore, through the banks, they will be in the banks be-tween the time of collection and the time of disbursement; that, during that period, they will be regarded as one part of the menos of business and of discount possessed by the banks, and that, as a greater portion of the revenue is collected in large cities than in small ones, these large citi of course, derive greater benefit than the rived from any use which the banks may make of the moneys, while on deposit with them. Now, sir, I would be very glad to know, supposing all this to be true, what there is in it either unequal or unjust?— The benefit is exactly in proportion to the amount of business, and to the sums paid. If individuals in large cities enjoy the dental use of more money, it is simply beever imports goods with the benefit of giving bond for duties, instead of making pre sum, the small importer having credit for a smaller sum. But the advantage, the benefit, or the indulgence, or whatever we call it, is, nevertheless, entirely equal and impartial.

How, then, does the collection of revenue through the banks "centralize" the action of the commercial system? It seems to me, sir, the cause is mistaken for the effect in the greatest city, because it is already the greatest city; because its local advan-tages, its population, its capital, and enter prise, draw business towards it, constitute it a central point in commercial operation the centralization of commerce by those just and proper causes—causes which must always exist in every country which produce a large collection of revenue in the favored spot. The amount of capital is leaving public moneys in the banks till financial and commercial operations of wanted, allows to merchants, in places of civilized and extensive communities;" that large import, a degree of incidental benefit. "the great desideratim is to ascertain what in just proportion to the amount of capital by them employed in trade, and so most qualities of being free for the control of paper has the requisite one very important cause, no doubt; and

any portion of the capital of the country from useful employment, merely because that, if employed, while all enjoyed the benefit proportionately, all would not enjoy it with the same absolute mathematical

quality.

So much, sir, for concentration, arising equality.

So much, sir, for concentration, arising from depositing the revenues in the banks.

Let us now look to the other part of the connection, viz: the receiving of bank notes for duties. How in the world does this "centralize" the commercial system?

The whole tendency and effect, as it seems to me, is directly the other way. It com-

the gentleman himse If his plan could pi the duties collected of

not so at this moment with the outstan Treasury notes? Are they abundan Georgia, in Mississippi, in Illinois, or New Hampahire? No sooner issued, thu they commence their march toward the place where they are most valued and most in demand; that is, to the place of the greatest public receipt. If you want cor describes to be "the receiving and paying away their noise as cash; and the use of the public money, from the tone of the col. lecton to the disbursement."

Tyou want con describes to be "the receiving and paying away their noise as cash; and the use of the public money, from the tone of the col. lecton to the disbursement." the receipt of the Treasury all money be such paper as the Government may him. and which shall be no otherwise redeemable than in receipt for debts to Governmen while at the same time you depress the

Such is the scheme of the honorable member in its probable commercial effect. Let us look at it in a political point of view.

The honorable member says he belongs to the State rights party; that party professes something of an uncommon love of liberty, an extraordinary sensibility to all its dangers; and of those dangers, it most dreads the union of the political and money power. This we learn from the authentic declaration of the gentleman homself. And now, oh transcendental consistency! oh, most wonderful conformity of means and ends! oh, exquisite mode of gratifying high desires! behold, the honorable member proposes that the political power of the State shall take in trail. State shall take to itself the whole function of supplying the entire paper circulation of the country, by notes or bills of its own, issued at its own discretion, to be paid out or advanced to whoms ever it pleases. in discharging the obligations of Government, bearing no promise to pay, and to be kept in circulation merely by being made re-The whole ceivable at the Treasury! circulation of the country, excepting only always be small, will thus be made up of mere Government paper, issued for Gov-ernment purposes, and redeemable only in payment of Government debts. In other words, the entire means of carrying on the whole commerce of the country held by Government in its own hands, and made commensurate, exactly, with its own wants, purposes, and opinions; the whole commercial business of the country being hus made a mere appendage to revenue.

But, sir, in order that I may not misrep you a little more distinctly what his opin-

ions are respecting this Government paper. The honorable member says sir, that to make this Sub-Treasury measure success tal, and to secure it against reaction, some safe and stable medium of circulation, "to take the place of bank notes in the fiscal operations of the Government, ought to be issued," that, "in the present condition of the world, a paper currency, in some form, if not necessary, is almost indispensable, in them employed in trade, and no more. qualities of being free from nuctuation in I suppose, sir, it is the natural course of value, and liability to abuse in the greatest I suppose, sir, it is the natural course of things in every commercial country, that some place, or a few places, should go ahead of others in commercial business importance. This must ever be so, until places possess precisely equal natural advantages. And I suppose, too, that, instead of being mischievous, it is rather for the common good of all, that there should be some commercial emporium, some central point, for exchanges of trade. Government, certainly, should not seek to produce this result by the bestowal of unequal privileges; but surely, sir, it would be a very strange and indefensible policy which should lead the Government to winthold any portion of the capital of the country from useful employment, merely because founded on the credit of Government ex clusively." "That such paper, only to be issued to those who had claims on the Government, would, in its habitual state, be at or above par with gold and silver;"